



ENTERED  
05/25/2017

**IN THE UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:	:	Chapter 11
	:	
EMAS CHIYODA SUBSEA LIMITED, <i>et</i>	:	Case No. 17-31146 (MI)
<i>al.</i> ,	:	
	:	(Jointly Administered)
Debtors. <sup>1</sup>	:	

## ORDER AUTHORIZING AND APPROVING THE DEBTORS' EXECUTIVE INCENTIVE PLAN

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an Order (a) authorizing and approving the Debtors’ (i) Critical Employee Recognition Program, and (ii) the Executive Incentive Plan, and (b) granting related relief, all as more fully set forth in the Motion; and upon this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and this Court

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number and jurisdiction of formation are as follows: EMAS CHiyODA Subsea Limited (UK) (3187); EMAS Chiyoda Subsea Inc. (Delaware) (7884); EMAS CHiyODA Subsea Marine Base LLC (Texas) (5974); Lewek Falcon Shipping Pte. Ltd. (Singapore) (041E); EMAS CHiyODA Marine Base Holding Co., LLC (Texas) (7463); EMAS Chiyoda Subsea Services Pte. Ltd. (Singapore) (333Z); EMAS-AMC Pte. Ltd. (Singapore) (0442); EMAS Saudi Arabia Ltd. (Saudi Arabia) (0669); Lewek Constellation Pte. Ltd. (Singapore) (376E); EMAS CHiyODA ROV Pte. Ltd. (Singapore) (049M); EMAS CHiyODA Subsea Services B.V. (Netherlands) (4073); EMAS CHiyODA Subsea Services (UK) Limited (Scotland) (3187); EMAS CHiyODA Subsea Services LLC (Delaware) (1728); EMAS CHiyODA Subsea (Thailand) Co., Ltd. (Thailand) (1011); Gallatin Marine Management, LLC (Delaware) (8989). The address of the Debtors' U.S. headquarters is 825 Town & Country Ln, Suite 1500, Houston, TX 77024.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having hearing the statements in support of the relief requested therein at a hearing before this Court on May 15, 2017 (the "Hearing"); the court makes the following findings of fact and conclusions of law regarding the CERP:

A. None of the thirty-two (32) participants in the CERP is an insider as that term is defined in the Bankruptcy Code.

B. Accordingly, as a matter of law under 11 U.S.C. § 503(c)(1), the Debtor may implement the CERP without obtaining this Court's approval.

NOW, THEREFORE, this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Executive Incentive Plan is approved in its entirety.
2. The Debtors are authorized to make payments to the Executive Incentive Plan participants as contemplated in the Motion.
3. The metrics under the Executive Incentive Plan related to compliance with the DIP budget shall be measured against the budget attached hereto as **Exhibit A**. The Debtors reserve the right to seek this Court's approval of modifications to Exhibit A.
4. The Debtors shall provide the Official Committee of Unsecured Creditors with three business days' notice prior to any payments being made under the Executive Incentive Plan.

5. Any payment actually made by the Debtors to any Executive Incentive Plan participant pursuant to the Compensation Program approved herein shall be final and shall not be subject to disgorgement.

6. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

8. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

9. The Debtors and the Committee's oral motion for a 10% potential increase in the Executive Incentive Plan is denied, without prejudice to the inclusion of a 10% increase in a proposed plan.

Dated: Houston, Texas  
May 25, 2017.

  
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HONORABLE MARVIN ISGUR  
UNITED STATES BANKRUPTCY JUDGE

## ECS Cashflow Projection - 18, 22 Weeks

5TH REVISION	11	12	13	14	15	16	17	18	19	20	21	22
\$000s	5/7/2017	5/14/2017	5/21/2017	5/28/2017	6/4/2017	6/11/2017	6/18/2017	6/25/2017	7/2/2017	7/9/2017	7/16/2017	7/23/2017
<b>Receipt schedule</b> (enter as positive no.)												
<b>Total Receipts</b>	3,118	3,636	985	8,163	-	10,071	5,000	10,575	74,926	8,945	1,141	28,859
<b>Disbursement schedule</b> (enter as negative no.)												
<b>Shoreline payments</b>												
Shoreline payments Total	(95)	(1,988)	(2,700)	(3,003)	(416)	(1,443)	(143)	(4,909)	(28,541)	(1,439)	(106)	(3,867)
<b>Tax Payments</b>												
Tax Payments	-	(23)	-	-	-	-	(58)	-	(166)	(11)	(21)	(197)
<b>Vessel related payments</b>												
Vessel related Total	(143)	(3,301)	(2,242)	(3,262)	(250)	(420)	(1,060)	(2,102)	(22,157)	(1,285)	(451)	(2,067)
<b>Project cost payments</b>												
Project Payment Total	(4,908)	(2,482)	(6,624)	(6,667)	(5,332)	(18,853)	(8,190)	(8,000)	(75,342)	(1,589)	(6,635)	(15,875)
<b>Contingency</b>												
Contingency	-	-	-	(4,500)	-	-	-	(500)	(5,000)	-	-	-
<b>Interco receipts/(payments) [within ECS Group]</b>												
Interco receipts/(payments)	-	-	0	-	-	-	-	0	(1)	-	-	(1)
<b>Financing payments</b>												
Financing payments Total	(0)	-	(45)	(22)	-	-	-	(5,234)	(10,658)	-	-	(20)
<b>Restructuring elements</b>												
Advisor fee	-	(1,589)	(795)	(721)	(721)	(721)	(721)	(1,894)	(7,162)	(941)	(1,356)	(1,356)
Filing/trustee fees	-	-	-	-	-	-	-	-	(50)	-	-	(150)
Restructuring actions	-	-	-	-	-	-	-	-	(24)	-	-	(24)
<b>Restructuring payments Total</b>	-	(1,589)	(795)	(721)	(721)	(721)	(721)	(1,894)	(7,235)	(941)	(1,356)	(1,506)
<b>Pre-petition payments</b>												
Tax payment	(179)	-	-	-	-	-	-	-	(329)	-	-	(329)
Critical vendor	(125)	(1,904)	(728)	(2,348)	(521)	(301)	(129)	(1,202)	(10,459)	-	-	(1,642)
Insurance	-	(74)	(44)	-	-	-	-	-	(3,828)	-	-	(3,828)
Employee related	-	-	-	-	-	-	-	-	(1,206)	-	-	(1,206)
Potential payments for client receipts	-	-	-	-	-	-	-	-	-	-	-	-
Potential payments relating to vessels	-	-	-	-	-	-	-	-	-	-	-	-
Contract cure	-	-	-	-	-	-	-	-	-	-	-	-
<b>Pre-petition payments Total</b>	(304)	(1,979)	(772)	(2,348)	(521)	(301)	(129)	(1,202)	(15,821)	-	-	(1,642)
<b>Total Payments</b>	(5,450)	(11,361)	(13,177)	(20,523)	(7,240)	(21,739)	(10,301)	(23,841)	(164,921)	(5,833)	(8,569)	(24,977)
<b>Cash movement for week</b>	(2,332)	(7,724)	(12,192)	(12,360)	(7,240)	(11,668)	(5,301)	(13,265)	(89,994)	(4,672)	(7,428)	(3,882)
<b>Fund Request Plan</b>												
<b>\$000s</b>	5/7/2017	5/14/2017	5/21/2017	5/28/2017	6/4/2017	6/11/2017	6/18/2017	6/25/2017	7/2/2017	7/9/2017	7/16/2017	7/23/2017
Emas AMC Pte Ltd			8,100		2,000		8,500		18,600	1,600	3,200	(5,125)
Emas Chiyoda Subsea Inc	300	2,250	2,200	1,100	2,000			2,300	19,305	(3,950)		16,455
Emas Saudi Arabia Ltd		1,100	500	1,200	1,550	13,300	570	1,100	20,945	400		24,795
Emas Chiyoda Subsea Limited		1,500	800	5,200	750	700	750	1,600	20,045	945	1,400	1,500
Lewek Constellation			90					6,912	6,912			6,912
Emas Chiyoda ROV Pte Ltd								150		(150)		
Emas Chiyoda Subsea Services Pte Ltd			60	10				(150)				720
Emas Chiyoda Subsea Services B.V.								150				
Emas Chiyoda Subsea Thailand Co. Ltd												
Lewek Falcon Shipping Pte Ltd	200	60	30						260		25	260
Emas Chiyoda Subsea Services UK Ltd									105			130
Emas Chiyoda Subsea Services LLC												
DIP funding Operations	(500)	(688)										
<b>Weekly Fund Request Amount</b>	4,222	30,607	42,387	7,510	6,300	14,000	9,820	6,875	86,892	(1,160)	4,600	94,777
<b>Cumulative DIP Fund Request Amount</b>	26,385	30,607	42,387	49,897	56,197	70,197	80,017	86,892	86,892	90,177	94,777	94,777
<b>Total</b>	(5,450)	(11,361)	(13,177)	(20,523)	(7,240)	(21,739)	(10,301)	(23,841)	(164,921)	(5,833)	(8,569)	(24,977)
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Emas Chiyoda Subsea Limited		1,500	800	5,200	750	700	750	1,600	20,045	945	1,400	1,500
Lewek Constellation			90					6,912	6,912			6,912
Emas Chiyoda ROV Pte Ltd								150		(150)		
Emas Chiyoda Subsea Services Pte Ltd			60	10				(150)				720
Emas Chiyoda Subsea Services B.V.								150				
Emas Chiyoda Subsea Thailand Co. Ltd												
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<b>Weekly Fund Request Amount</b>	4,222	30,607	42,387	7,510	6,300	14,000	9,820	6,875	86,892	(1,160)	4,600	94,777
<b>Cumulative DIP Fund Request Amount</b>	26,385	30,607	42,387	49,897	56,197	70,197	80,017	86,892	86,892	90,177	94,777	94,777